

HB3381



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB3381

Introduced 2/26/2007, by Rep. Karen May

SYNOPSIS AS INTRODUCED:

820 ILCS 405/611

from Ch. 48, par. 441

Amends the Unemployment Insurance Act. Provides that none of the amount received by an individual as primary social security old age and disability retirement benefits shall constitute disqualifying income if the gross income of the household in which the individual resides does not exceed specified federal poverty guidelines.

LRB095 09123 WGH 29316 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning unemployment insurance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Unemployment Insurance Act is amended by
5 changing Section 611 as follows:

6 (820 ILCS 405/611) (from Ch. 48, par. 441)

7 Sec. 611. Retirement pay. A. For the purposes of this
8 Section "disqualifying income" means:

9 1. The entire amount which an individual has received or
10 will receive with respect to a week in the form of a retirement
11 payment (a) from an individual or organization (i) for which he
12 performed services during his base period or which is liable
13 for benefit charges or payments in lieu of contributions as a
14 result of the payment of benefits to such individual and (ii)
15 which pays all of the cost of such retirement payment, or (b)
16 from a trust, annuity or insurance fund or under an annuity or
17 insurance contract, to or under which an individual or
18 organization for which he performed services during his base
19 period or which is liable for benefit charges or payments in
20 lieu of contributions as a result of the payment of benefits to
21 such individual pays or has paid all of the premiums or
22 contributions; and

23 2. One-half the amount which an individual has received or

1 will receive with respect to a week in the form of a retirement
2 payment (a) from an individual or organization (i) for which he
3 performed services during his base period or which is liable
4 for benefit charges or payments in lieu of contributions as a
5 result of the payment of benefits to such individual and (ii)
6 which pays some, but not all, of the cost of such retirement
7 payment, or (b) from a trust, annuity or insurance fund
8 (including primary social security old age and disability
9 retirement benefits, including those based on self-employment,
10 unless excluded under paragraph 2.1) or under an annuity or
11 insurance contract, to or under which an individual or
12 organization for which he performed services during his base
13 period or which is liable for benefit charges or payments in
14 lieu of contributions as a result of the payment of benefits to
15 such individual pays or has paid some, but not all, of the
16 premiums or contributions.

17 2.1. Notwithstanding paragraphs 1 and 2 above, none of the
18 amount which an individual has received or will receive with
19 respect to a week in the form of primary social security old
20 age and disability retirement benefits, including those based
21 on self-employment, shall constitute disqualifying income if
22 the gross income of the household in which the individual
23 resides does not exceed the poverty guidelines updated
24 periodically in the Federal Register by the U.S. Department of
25 Health and Human Services under the authority of 42 U.S.C.
26 9902(2).

1 3. Notwithstanding paragraphs ~~paragraph~~ 1, 2, and 2.1 ~~2~~
2 above, the entire amount which an individual has received or
3 will receive, with respect to any week which begins after March
4 31, 1980, of any governmental or other pension, retirement, or
5 retired pay, annuity or any other similar periodic payment
6 which is based on any previous work of such individual during
7 his base period or which is liable for benefit charges or
8 payments in lieu of contributions as a result of the payment of
9 benefits to such individual. This paragraph shall be in effect
10 only if it is required as a condition for full tax credit
11 against the tax imposed by the Federal Unemployment Tax Act.

12 B. Whenever an individual has received or will receive a
13 retirement payment for a month, an amount shall be deemed to
14 have been paid him for each day equal to one-thirtieth of such
15 retirement payment. If the retirement payment is for a
16 half-month, an amount shall be deemed to have been paid the
17 individual for each day equal to one-fifteenth of such
18 retirement payment. If the retirement payment is for any other
19 period, an amount shall be deemed to have been paid the
20 individual for each day in such period equal to the retirement
21 payment divided by the number of days in the period.

22 C. An individual shall be ineligible for benefits for any
23 week with respect to which his disqualifying income equals or
24 exceeds his weekly benefit amount. If such disqualifying income
25 with respect to a week totals less than the benefits for which
26 he would otherwise be eligible under this Act, he shall be

1 paid, with respect to such week, benefits reduced by the amount
2 of such disqualifying income.

3 D. To assure full tax credit to the employers of this State
4 against the tax imposed by the Federal Unemployment Tax Act,
5 the Director shall take any action as may be necessary in the
6 administration of paragraph 3 of subsection A of this Section
7 to insure that the application of its provisions conform to the
8 requirements of such Federal Act as interpreted by the United
9 States Secretary of Labor or other appropriate Federal agency.
10 (Source: P.A. 86-3.)